



CITY OF PHILADELPHIA

OFFICE OF DIRECTOR OF FINANCE

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STEPHEN J. AGOSTINI
Budget Director

August 2, 2010

Honorable Michael A. Nutter, Mayor
City of Philadelphia
Room 215 City Hall
Philadelphia, PA 19102

Dear Mayor Nutter:

This letter transmits to you the City of Philadelphia's status summary of activity under the American Recovery and Reinvestment Act (ARRA) along with certification that the City has met its reporting requirements for the quarter ending June 30, 2010.

This is the fourth major reporting milestone that the City of Philadelphia is obligated to meet under ARRA. The City continues to improve its preparations and submissions to federal and state governments and thanks to the tireless efforts and work by staff the City had submitted all of its prime and sub-recipient reports by the deadline of July 14th.

My thanks, also, to the numerous contractors, businesses, non-profit organizations and quasi-governmental agencies that are the City's sub-recipients or vendors for ARRA dollars. Not only do these organizations help stimulate the local economy with the services they deliver and the jobs they provide, but they also supply essential data that the City must collect, verify and submit as part of its federal and state reporting requirements.

This letter summarizes Recovery activity up to June 30, 2010, and looks at the following:

- Funds applied for, awarded, and spent in the City of Philadelphia and our partner organizations;
- The items that will be reported to the Federal Government and the State of Pennsylvania regarding our Recovery grants.

Attached at Annex A is a full list of all grants applied for, pending, awarded and received by the City of Philadelphia.

TOTAL FUNDING SUMMARY

The City of Philadelphia continues to attract significant amounts of ARRA funding and below summarizes the total funds that the City has been awarded, the amount spent, and the jobs created or retained through this funding.

- Total Recovery Funds that the City of Philadelphia has **applied** to receive **\$307 million**.
- Total Recovery Funds **awarded** to the City of Philadelphia to date: **\$248 million**
- Total Recovery Funds **spent** to date by the City of Philadelphia: **\$20.5 million**
- Total jobs funded directly by ARRA from funds spent in this quarter: **366.63 full time equivalent (FTE) jobs**

Spending is now accelerating and in this quarter we have continued the trend of doubling our expenditures as we have done in all previous quarters. If the City continues on this trajectory we expect to expend close to a third of our total awards by the end of the year. While I recognize our slow start in spending, it is important to place this in context. Firstly a significant proportion - \$110 million of our \$248 million total - was only awarded this year, such as the \$25 million Energy Retrofit-Ramp-up Grant awarded in June. Secondly, the infrastructure projects, such as street repaving, could not start until this summer. And finally, some grants involve new and innovative projects: these, however, are not always "shovel" ready as it inevitably takes time to develop new products.

On jobs, the City has increased its job count from 216.13 in the previous quarter to 366.63 full time equivalents in this quarter. The Federal government applies strict, and restrictive, rules for counting jobs which is not cumulative and only covers jobs created or retained within this quarter – a three-month period from April 1- June 30. The calculation is based on hours worked rather than the number of people at work. It also excludes jobs that are indirectly created or saved by the City's investment and expenditure of ARRA dollars.

It is important to also highlight the **\$67.2 million** in ARRA funds awarded to quasi-City governmental and partner agencies where the City played a leadership role in the accessing funds, most notably:

- Philadelphia Workforce Investment Board received \$7.4 million for youth and \$13.9 million for adult employment and training from the Department of Labor; expending \$5.8 million and creating 12.91 full time equivalent jobs this quarter.
- Philadelphia Housing Development Corporation received \$15.8 million for a weatherization grant and has expended \$2.6 million.
- PennDOT received \$17.2 million for City and county bike trails. As this was only recently awarded, no expenditures or jobs were reported;
- Philadelphia Industrial Corporation received \$12.9 million for Recovery Zone Facility Bonds (no Recovery Act reporting requirements for this product); and
- Philadelphia Workforce Development Corporation was awarded a grant by the Commonwealth of Pennsylvania, commonly known as *Philadelphia Way to*

Work! The program, announced May 19, 2010, has already provided 2699 adults earning nearly \$3.2 million with work and youth participation is at 5,900.

Quarterly reports are being submitted individually by those agencies and are not part of the City of Philadelphia's reporting requirements.

DETAILED FUNDING INFORMATION

Eligible Recovery Formula Money Awarded to the City of Philadelphia to date (Total - \$94,902 million):

- \$14 million – Community Development Block Grant Recovery (awarded August 13, 2009)
- \$8.3 million – Community Service Block Grant Recovery (awarded July 1, 2009)
- \$14.1 million – Energy Efficiency and Conservation Block Grant (awarded September 29, 2009)
- \$21.5 million – Federal Homelessness Prevention and Rapid Re-Housing (awarded August 24, 2009)
- \$2.1 million – State Formula Homeless Prevention and Rapid Re-Housing (awarded September 17, 2009)
- \$13.5 million – Byrne JAG Local Grants (awarded August 8, 2009)
- \$7.1 million – Citywide Repaving 101 (awarded June 29, 2009)
- \$4.8 million – Citywide Repaving 102 (awarded September 14, 2009)
- \$1,795,000 – Restoring Ecosystems in Fairmount Park (awarded November 12, 2009)
- \$224,323 – Senior Community Service Employment Program (awarded April 1, 2009)
- \$26,880 Commission on Aging (awarded April 1, 2009)
- \$578,185 – IT&F Waiver-EI (awarded February 1, 2009)
- \$1.7 million – Title-IV Adoption Assistance (July 1, 2009)
- \$4.9 million – Title IV-E Foster Care (July 1, 2009)

Eligible Recovery Competitive Money Awarded to the City of Philadelphia to date (Total \$152,969 million)

- \$7.1 million – PHL Baggage Screening International Recheck Section AE6 (awarded June 15, 2009)
- \$19.5 million – PHL Baggage Screening Section A-East (awarded June 15, 2009)
- \$5.7 million – PHL Runway and Taxiway Rehab (awarded August 20, 2009)
- \$3.2 million – Center City Resurfacing Capital (awarded April 16, 2009)
- \$355,483 – Center City Resurfacing Local (awarded April 16, 2009)
- \$434,320 – Healthy Homes for Foster Care (awarded April 14, 2009)
- \$875,000 – Healthy Homes for Day Care (awarded June 10, 2009)
- \$685,000 – State Competitive Homeless Prevention and Rapid Re-Housing (awarded September 15, 2009)
- \$200,000 – Water and Sewer Replacement, Plant Maintenance & Green Projects (Water and Wastewater Loans) (awarded April 20, 2009)

- \$150,000 – Varicella Vaccine Efficacy (awarded September 15, 2009)
- \$125,288 – Evaluation of Meningococcal Vaccine (awarded September 3, 2009)
- \$565,358 – Supplemental Funding for Reaching More Children and Adults (awarded September 15-, 2009)
- \$10.9 million – COPS Hiring Recovery Grant (awarded July 1, 2009)
- \$249,333 – Strengthening Communities Fund (awarded September 20, 2009)
- \$616,740 – Diesel Emission Grant (awarded November 24, 2009)
- \$44 million – Neighborhood Stabilization II (awarded January 14, 2010)
- \$15 million – Healthy Nutrition and Physical Activity (known as the Obesity grant) (awarded March 19, 2010)
- \$10.3 million – Tobacco Prevention and Control (awarded March 19, 2010)
- \$240,000 – C-Tech Training Re-Entry Plan (awarded July 1, 2009 as part of the Philadelphia Workforce Development Corporation grant)
- \$481,784 – Victims of Juvenile Offenders (VOJO) in First Judicial District (awarded July 1, 2009)

Competitive grants that have been awarded since we last reported to you:

- \$25 million for Energy Retrofit Ramp-Up Grant (awarded June 3, 2010)
- \$300,000 for Local Energy Assurance Plan (awarded June 4, 2010)
- \$295,591 for DUI Treatment Court (awarded July 1, 2010)
- \$261,820 for Forensic Triage Specialist Grant (awarded June 4, 2010)
- \$6.3 million for Broadband II (awarded July 1, 2010)

The Commission on Aging Grant for \$26,880 and Senior Community Service Employment Program for \$224,323 – (both awarded April 1, 2009) are completed. As are the two Water and Sewer Replacement, plant maintenance and green projects for \$200,000. The IT&F Waiver-EI – (\$578,185) grant has been fully reimbursed.

Funds spent by the City of Philadelphia – **Total - \$20.5 million**

- \$3.5 million – Community Development Block Grant Recovery
- \$26,888 – Commission on Aging (completed)
- \$215,429 – Senior Community Service Employment (completed)
- \$1.3 million – Energy Efficiency Conservation Block Grant
- \$4.4 million – Byrne Grant
- \$236,751 – VOJO Victims of Juvenile Offenders (First Judicial District)
- \$73,577 – Healthy Homes for Foster Care
- \$296,870 – Healthy Homes for Child Care
- \$4.1 million – Federal Homeless Prevention & Rapid Re-Housing
- \$101,758 – State Competitive Homeless Prevention & Rapid Re-Housing
- \$210,349 – State Formula Homeless Prevention & Rapid Re-Housing
- \$200,000 – Water and Sewer Replacement, Plant Maintenance & Green Projects (Water and Wastewater Loans completed)
- \$157,005 – PHL Runway and Taxiway Rehab
- \$1 million – PHL Baggage Screening International Recheck Section AE
- 268,977 – PHL Baggage Screening Section 26

- \$8,242 – Strengthening Communities
- \$1.9 million – Community Services Block Grant
- \$812,303 – COPS Hiring Recovery Grant
- \$19,450 – C-Tech Training Re-Entry Plan (awarded July 1, 2009 as part of the Philadelphia Workforce Development Corporation grant)
- \$370,078 – Healthy Nutrition and Physical Activity
- \$205,141 – Tobacco Prevention and Control
- \$21,866 – Varicella Vaccine Efficacy
- \$578,185 - IT&F Waiver-EI (fully reimbursed)
- \$115,574 – Citywide Repaving 101
- \$1,260 – Citywide Repaving 102
- \$7,633 – Fairmount Park Ecosystems

Jobs Funded by ARRA in the City of Philadelphia by Grant – Total, 366.63 FTE

- 16.13 – Community Development Block Grant Recovery
- 0.40 – Strengthening Communities
- 0.0 – Senior Community Service Employment
- 52.1 – Community Services Block Grant Recovery
- 7.4 – Energy Efficiency Community Block Grant
- 67.83 – Byrne Grant
- 49.43 – COPs Hiring Recovery Grant
- 2.98 – C-Tech Training
- 1.01 – Varicella Vaccine Efficacy
- 1.01 – Evaluation of Meningococcal Vaccine
- 2.01 – Supplemental Funding for Reaching more Children and Adults
- 1 – Healthy Homes for Foster Care
- 3 – Healthy Homes for Child Care
- 31.86 – Healthy Nutrition and Physical Activities (Obesity) Grant
- 16.45 – Tobacco Prevention and Control
- 39.07 – Federal Homeless Prevention and Rapid Re-Housing – Federal
- 5.97 – State Competitive Homeless Prevention and Rapid Re-Housing – State
- 2.29 – State Formula Homeless Prevention and Rapid Re-Housing – State
- 14.55 – Citywide Repaving Resurfacing 101
- 1.32 – Citywide Repaving Resurfacing 102
- 15.13 – PHL Baggage Screening International Recheck Section AE6
- 4.94 – PHL Baggage Screening Section A-East (awarded June 15, 2009)
- 3.94 - PHL Runway and Taxiway Rehab (awarded August 20, 2009)
- 0.74 – Fairmount Park Ecosystems

Jobs Funded by ARRA in the City of Philadelphia (By Department) – Total, 366.63 FTE

- 16.13 – Office of Housing and Community Development
- 9.75 – Licenses and Inspections
- 1.07 – Mayor’s Commission on Aging

- 52.10 – Mayor’s Office of Community Services
- 7.4 – Mayor’s Office of Sustainability
- 2.98 – Mayor’s Office of Reintegration Services
- 0.4 – Mayor’s Office of Faith Based Initiatives
- 49.43 – Police
- 56.04 – First Judicial District
- 7.04 – Public Safety
- 47.33 – Office of Supportive Housing
- 56.34 – Department of Public Health
- 24.01 – Philadelphia International Airport
- 35.87 – Streets Department
- 0.74 – Parks and Recreation Department

FEDERAL REPORTING FOR JUNE 30, 2010

For the Office of Management and Budget (OMB) reporting period that ends June 30th the City of Philadelphia submitted nineteen reports as prime recipients:

- Federal Homeless Prevention and Rapid Re-Housing (\$21.5 million)
- Community Development Block Grant Recovery (\$14 million)
- Energy Efficiency and Conservation Block Grant (\$14.1 million)
- Neighborhood Stabilization II (\$44 million)
- Byrne JAG Local Grants (\$13.5 million)
- COPS Hiring Recovery Program (\$10.9 million)
- Varicella Vaccine Efficacy (\$150,000)
- Evaluation of Meningococcal Vaccine (\$125,288)
- Supplementation Funding for Reaching More Children and Adults (\$565,358)
- Healthy Nutrition and Physical Activity (\$15 million)
- Tobacco Prevention and Control (\$10.3 million)
- Healthy Homes for Child Care (\$875,000)
- PHL Baggage Screening International Recheck Section AE6 (\$7.1 million)
- PHL Baggage Screening Section 23 (\$19.5 million)
- PHL Runway and Taxiway rehab (\$5.7 million)
- Restoring Ecosystems in Fairmount Park (\$1.8 million)
- Strengthening Communities Fund (\$249,333)
- Local Energy Assurance Plan (\$300,000)
- Retrofit Ramp-Up Grant (\$25 million)

Of these prime recipient grants, fourteen reflected spending activity this quarter.

In addition to these reports the City has submitted as a prime recipient, the City is a sub-recipient to either the Commonwealth of Pennsylvania or other organizations for the following thirteen grants:

- Senior Community Service Employment (\$224,323)
- Community Service Block Grant (\$8.3 million)
- Citywide Repaving 101 (\$7.1 million)
- Citywide Repaving 102 (\$4.8 million)
- Center-City Repaving (\$3.1 million)
- Diesel Emission Grant (\$616,740)
- Healthy Homes for Foster Care (\$434,320)
- C-Tech Training Re-Entry Plan (\$240,000)
- Homeless Prevention and Rapid Re-Housing – Formula (\$2.1 million)
- Homeless Prevention and Rapid Re-Housing – Competitive (\$685,000)
- Victims of Juvenile Offenders (VOJO) in First Judicial District – (\$481,784)
- DUI Treatment Court – (\$295,591)
- Forensic Triage Specialist Grant – (\$261,820)

Of these sub-recipients, thirteen are spending. In addition there are three sub-recipient grants received from the Commonwealth that do not have 1512 OMB reporting requirements:

- Title IV-E Adoption Assistance – (\$1.7 million)
- Title IV-E Foster Care – (\$4.9 million)
- IT&F Waiver-EI – (\$578,185); this grant has been fully reimbursed.

The prime recipient bears all reporting responsibility for these grants and has not delegated responsibility to the City's sub-recipients. As such, the City's sub-recipients are not required to report to the Federal government directly.

The District Attorney's Office has taken full responsibility for ARRA quarterly reporting of its Recovery grants from this quarter onwards.

I continue to have confidence with the verification processes and controls that we have established for the oversight of federal reporting of ARRA dollars and with the timeliness in which the City is fulfilling its duties. As in the previous quarter, we welcomed a team from the Government Accountability Office to assess progress and will post their report, due September, on our recovery website. Working with the Chief Integrity Officer and Inspector General, we will continue to improve upon our processes and we have developed an ARRA Rulebook for all of our grant managers which will soon be available on the Recovery Office website: phila.gov/recovery.

On the City's Recovery website we will also be publishing a user-friendly quarterly update to the citizens of Philadelphia informing and reporting on our progress and achievements.

Sincerely,



Stephen J. Agostini
Budget Director

CC: Clarence Armbrister, Chief of Staff
Honorable Curtis Jones, Jr., Councilman
Honorable Alan Butkovitz, City Controller
Richard Negrin, Esquire, Deputy Mayor for Administration and
Coordination/Managing Director
Rob Dubow, Director of Finance
Joan Markman, Chief Integrity Officer
Amy Kurland, Inspector General
Shelley Smith, City Solicitor
Rina Cutler, Deputy Mayor & MD for Transportation & Public Utilities
Michael DiBerardinis, Commissioner, Department of Parks & Recreation
Everett Gillison, Deputy Mayor & MD for Public Safety
Alan Greenberger, Deputy Mayor for Planning & Economic Development &
& Executive Director of City Planning
Don Schwarz, MD, MPH, Deputy Mayor of Health & Opportunity
David G. Wilson, First Deputy for Administration
Kevin Dow, Deputy Director of Commerce and Acting Chief Operating Officer
John Elfrey, Deputy Managing Director of Transportation
Allan Frank, Chief Information Officer, DOT
Susan Kretsge, Chief of Staff, Office of the Deputy Mayor Health & Opportunity
Maari Porter, Deputy Budget Director for Recovery
Recovery Project Team